

STATE OF TENNESSEE
STATEMENT OF CHANGES IN PLAN NET ASSETS
PENSION TRUST AND INVESTMENT TRUST FUNDS
AS OF JUNE 30, 1999 AND 1998

(Expressed in Thousands)

	STATE EMPLOYEES, TEACHERS,HIGHER EDUCATION EMPLOYEES PENSION PLAN (SETHEEPP)	POLITICAL SUBDIVISIONS PENSION PLAN (PSPP)	TOTAL PENSION	LOCAL GOVERNMENT INVESTMENT	TOTALS	
					JUNE 30, 1999	JUNE 30, 1998
ADDITIONS:						
CONTRIBUTIONS:						
MEMBER CONTRIBUTIONS	\$ 122,564	\$ 38,618	\$ 161,182		\$ 161,182	\$ 155,282
EMPLOYER CONTRIBUTIONS	244,453		244,453		244,453	166,756
POLITICAL SUBDIVISION CONTRIBUTIONS		69,230	69,230		69,230	65,276
TOTAL CONTRIBUTIONS	367,017	107,848	474,865		474,865	387,314
INVESTMENT INCOME:						
NET APPRECIATION (DEPRECIATION) IN						
FAIR VALUE OF INVESTMENTS	883,577	129,430	1,013,007		1,013,007	1,894,131
INTEREST	705,107	103,288	808,395	\$ 79,089	887,484	825,246
DIVIDENDS	106,778	15,641	122,419		122,419	124,740
SECURITIES LENDING						2,380
TOTAL INVESTMENT INCOME	1,695,462	248,359	1,943,821	79,089	2,022,910	2,846,497
LESS: INVESTMENT EXPENSES						
SECURITIES LENDING EXPENSES	9,682	1,423	11,105		11,105	10,681
ADMINISTRATIVE FEE				943	943	811
NET INVESTMENT INCOME	1,685,780	246,936	1,932,716	78,146	2,010,862	2,832,880
TOTAL ADDITIONS	2,052,797	354,784	2,407,581	78,146	2,485,727	3,220,194
DEDUCTIONS:						
ANNUITY BENEFITS:						
RETIREMENT BENEFITS	454,031	65,978	520,009		520,009	474,548
COST OF LIVING	99,823	14,506	114,329		114,329	101,050
DEATH BENEFITS	2,616	778	3,394		3,394	3,303
REFUNDS	13,491	12,143	25,634		25,634	24,649
ADMINISTRATIVE EXPENSES	2,350	1,840	4,190		4,190	3,886
TOTAL DEDUCTIONS	572,311	95,245	667,556		667,556	607,436
NET INCREASE	1,480,486	259,539	1,740,025	78,146	1,818,171	2,612,758
CAPITAL SHARES TRANSACTIONS:						
SHARES SOLD				2,186,764	2,186,764	1,934,566
LESS SHARED REDEEMED				2,144,124	2,144,124	1,739,881
INCREASE (DECREASE) FROM CAPITAL SHARE TRANSACTIONS				42,640	42,640	194,685
TOTAL INCREASE IN NET ASSETS	1,480,486	259,539	1,740,025	120,786	1,860,811	2,807,443
NET ASSETS HELD IN TRUST:						
JULY 1	18,385,607	2,671,880	21,057,487	1,450,799	22,508,286	19,700,843
JUNE 30	\$ 19,866,093	\$ 2,931,419	\$ 22,797,512	\$ 1,571,585	\$ 24,369,097	\$ 22,508,286

See accompanying Notes to the Financial Statements